

GENERAL INSTRUCTION SHEET

1. This report must be completed in proper form (typed or legibly printed), and must be **filed with the Comptroller of the Treasury on or before April 1, 2006.** **A copy should be retained in your files for future reference.**
2. **ROUND ALL DOLLAR FIGURES TO WHOLE DOLLARS!**
3. **NO SHEET OR SECTION SHOULD BE LEFT BLANK.** If a sheet or section does not apply to your company, indicate by placing the words “**inapplicable**” or “**none**”. **INCOMPLETE REPORTS WILL BE RETURNED!**
4. **FAILURE** to file a complete report will result in a **FORCED ASSESSMENT**. Tennessee Code Annotated, Section 67-5-1317 states:

“The Owner of any such property refusing or failing to file such schedules and statements shall be deemed to have waived the mode and manner of ascertaining the value of such property, and of the distribution or allocation by the Comptroller of the Treasury of such valuation or assessment to the various counties and municipalities of the State of Tennessee for the purposes of county and municipal taxation, and shall not be permitted to be heard in opposition to the valuation fixed upon said property by the Comptroller of the Treasury, nor in opposition to the distribution or allocation of same by the Comptroller of the Treasury to the various counties and municipalities for the purposes aforesaid; and may, at the discretion of the Comptroller of the Treasury, in addition, be liable to a penalty of one hundred dollars (\$100) for each and every day which such owner is delinquent in filing said statement or schedule.”

5. Supplemental information or schedules relating to full cash value of the respondent's property can be submitted with this report for consideration in determination of value.
6. A company **Balance Sheet** and **Statement of Operation** must be filed in addition to the enclosed schedules.
7. AL – 1: Provide the Comptroller of the Treasury with necessary information pertaining to the company's organization and capital structure.
 AF – 2: Provide acquisition cost of owned aircraft.
 AF – 3: Provide Lessor's acquisition cost of leased aircraft.
 AL – 4: Provide a complete inventory of all aircraft both owned and leased.
 AL – 5: Utilizing AL – 2, AL – 3, and AL – 4 complete the Aircraft Costs and Scheduled Depreciated Value. Additionally, provide your estimate of cash value in the column provided.
 AL – 6: Complete one apportionment page for each type aircraft flown into Tennessee. Add any additional airports as necessary.
 AL – 7: Complete one page for each airport and/or city location where personal property is located.
8. AL – 10 requires a listing of all purchases and sales of Tennessee real property occurring during the year 2005.

GENERAL INSTRUCTION SHEET
(continued)

9. AL – 11 requires a listing of all real property under construction. This listing will include all real property currently under construction or construction expected to be completed by September 1 of this year. Be sure to include the county and city where located, map reference and property owner, description of improvement, and the construction cost.
10. **IT IS IMPERATIVE THAT THE REPORT BE SIGNED. IF NOT, THE REPORT WILL BE RETURNED.**
11. **Any additional information, schedules, etc., provided by your company must be submitted on LETTER SIZE PAPER (8.5" x 11").**

*****SPECIAL INFORMATION REQUEST*****

12. In an effort to assure property accountability compliance, please provide the Office of State Assessed Properties with documentation supporting entries on the Ad Valorem Tax Report for the following: **Scheduled Ground Hours, Revenue Ton Miles, and Revenue Tons Handled both in Tennessee and in the System.** In other words, show how the numbers are derived.

***Definitions**

HISTORICAL COST OF AIRCRAFT – total cumulative cost of an airplane equipped for revenue flight. Total cumulative cost must be derived from original books, papers, and records of respondent.

SCHEDULED GROUND HOURS – allotted time given by an airline between flight operations to load and unload passengers or cargo.

GROSS REVENUES – total sales for transporting passengers or cargo.

PASSENGER MILES – one passenger of revenue traffic transported one mile.

FLIGHT HOURS – amount of time each type and model of aircraft flew in a specified jurisdiction.

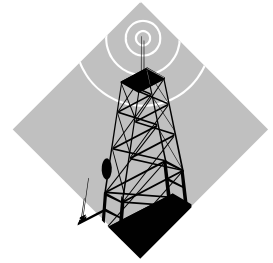
ACTUAL GROUND HOURS – all time on the ground at an airport facility in which aircraft is temporarily between flight operations to load or unload passengers, cargo and crew or to receive service and repairs.

REVENUE TON MILES – sum of all miles and tons (passenger, freight, express and mail) transported of all scheduled and non-scheduled traffic.

REVENUE TONS HANDLED – product of either passenger tons or freight, express and mail tons received and discharged as originating and terminating revenue traffic.

ARRIVALS AND DEPARTURES – sum of all scheduled and nonscheduled flights landing and taking-off in Tennessee.

TOTAL HOURS – in a given state will include hours aloft and all hours aground.



STATE OF TENNESSEE

2006

AD VALOREM TAX REPORT



COMPANY NAME _____

STREET _____ CITY _____ STATE _____ ZIP CODE _____
(PRINCIPLE OFFICE INFORMATION)

STREET _____ CITY _____ STATE _____ ZIP CODE _____
(PRINCIPLE OFFICE INFORMATION IN TENNESSEE)

PHONE NUMBER () _____ FAX NUMBER () _____

E-MAIL ADDRESS _____

MAIL TO:

COMPTROLLER OF THE TREASURY OFFICE OF STATE ASSESSED PROPERTIES

James K. Polk State Office Building
505 Deaderick Street, Suite 1700
Nashville, Tennessee 37243-0281
(615) 401-7900 FAX (615) 532-8666
osap.osap@state.tn.us

1. Company Name _____

2. Principal Office Location _____
Number & Street

City State Zip

3. Is Company ☐ **INDIVIDUAL?** ☐ **PARTNERSHIP?** ☐ **CORPORATION?** ☐ **OTHER?**

4. If a **CORPORATION** or **OTHER** similar enterprise, supply the following information:

Under laws of what state organized _____ Date organized _____

List names and addresses of:

PRESIDENT: _____
Name Number & Street City State Zip

SECRETARY: _____
Name Number & Street City State Zip

TREASURER: _____
Name Number & Street City State Zip

5. State principal nature of business: _____

6. Special questions regarding this report should be directed to:

NAME: _____

TITLE: _____

ADDRESS: _____
Number & Street

City State Zip

PHONE NUMBER: () _____

FAX NUMBER: () _____

AIRCRAFT COSTS – OWNED AIRCRAFT

AIR CARRIER

AS OF DECEMBER 31, 2005

[illegible]

AIR CARRIER _____

CT-0396

-3- CT-0396

AIRCRAFT INVENTORY

AIR CARRIER

AS OF DECEMBER 31, 2005

| Aircraft Type | Plane Number | Date Acquired | Historical Cost | Owned or Leased |
|---------------|--------------|---------------|-----------------|-----------------|
| | | | \$ | |
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| TOTAL | | | \$ | |

AIRCRAFT FLEET IMPAIRMENTS

Please indicate any asset impairments allowed by FASB No. 144 as reported in the annual 10-K Report for aircraft fleets.

OWNED/CAPITAL LEASE: Please attach a detailed listing of all impairment amounts included in your 10-K Report. The reported total impairment amount should reconcile to the amount per your 10-K Report.

List all asset impairments related to aircraft types, hulls and engines and rotables. No asset impairment amounts will be allowed unless noted in your company's annual 10-K Report. Please provide all 10-K pages relevant to the impairment amounts.

DO NOT SEND THE ENTIRE 10-K REPORT!

| FLEET TYPE | NUMBER OF AIRCRAFT | ORIGINAL COST OF FLEET | AIRCRAFT IMPAIRMENT AMOUNTS | ENGINE & ROTABLE IMPAIRMENT AMOUNTS | VALUE OF FLEET TYPE AS OF 1/1/2005 |
|------------|--------------------|------------------------|-----------------------------|-------------------------------------|------------------------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| TOTAL | | | | | |

OPERATING LEASE: Please attach the same information listed above from the lessors' 10-K Report. Please provide all lessors' 10-K pages relevant to the impairment amounts.

DO NOT SEND THE ENTIRE 10-K REPORT!

| FLEET TYPE | NUMBER OF AIRCRAFT | ORIGINAL COST OF FLEET | AIRCRAFT IMPAIRMENT AMOUNTS | ENGINE & ROTABLE IMPAIRMENT AMOUNTS | VALUE OF FLEET TYPE AS OF 1/1/2005 |
|------------|--------------------|------------------------|-----------------------------|-------------------------------------|------------------------------------|
| | | | | | |
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| | | | | | |
| | | | | | |
| TOTAL | | | | | |

ASSET IMPAIRMENT ADJUSTMENTS FOR FUTURE AD VALOREM REPORTS

All impaired aircraft should be reported on AL-5 or AL-5A. The original cost will become the impaired value of the aircraft involved in the write-down. The year the write-down occurred will now become the year of acquisition and subsequent depreciation of impaired aircraft will start from this point. For additional information or questions concerning asset impairments please contact Shannon Tucker @ (615) 401-7969.

AIRCRAFT COSTS AND FULL CASH VALUE
OUT OF PRODUCTION AIRCRAFT

Type of Aircraft _____

Year End: **DECEMBER 31, 2005**

| Year of Acquisition | Number Of Aircraft | Historical Cost | Percent Good | Schedule Depreciated Value | Company Estimated Cash Value |
|---------------------|--------------------|-----------------|--------------|----------------------------|------------------------------|
| 2005 | _____ | \$ _____ | 93.8% | \$ _____ | \$ _____ |
| 2004 | _____ | _____ | 87.5% | _____ | _____ |
| 2003 | _____ | _____ | 81.3% | _____ | _____ |
| 2002 | _____ | _____ | 75.0% | _____ | _____ |
| 2001 | _____ | _____ | 68.8% | _____ | _____ |
| 2000 | _____ | _____ | 62.5% | _____ | _____ |
| 1999 | _____ | _____ | 56.3% | _____ | _____ |
| 1998 | _____ | _____ | 50.0% | _____ | _____ |
| 1997 | _____ | _____ | 43.8% | _____ | _____ |
| 1996 | _____ | _____ | 37.5% | _____ | _____ |
| 1995 | _____ | _____ | 31.3% | _____ | _____ |
| Prior | _____ | _____ | 25.0% | _____ | _____ |
| TOTALS | _____ | \$ _____ | | \$ _____ | \$ _____ |

ALLOCATION

| | Tennessee | System | Weighted | Percent In Tennessee |
|---------------------------|-----------|--------|----------|----------------------|
| 1. Scheduled Ground Hours | _____ | _____ | 45.0000% | _____ |
| 2. Revenue Ton Miles | _____ | _____ | 40.0000% | _____ |
| 3. Revenue Tons Handled | _____ | _____ | 15.0000% | _____ |

Full Cash Value

X

Weighted Percent

TENNESSEE ALLOCATED VALUE

\$ _____

ASSESSMENT PERCENTAGE

X

30.0000%

TENNESSEE ASSESSED VALUE

\$ _____

AIRCRAFT COSTS AND FULL CASH VALUE
IN PRODUCTION AIRCRAFT

Type of Aircraft _____

Year End: **DECEMBER 31, 2005**

| Year of Acquisition | Number Of Aircraft | Historical Cost | Percent Good | Schedule Depreciated Value | Company Estimated Cash Value |
|---------------------|--------------------|-----------------|--------------|----------------------------|------------------------------|
| 2005 | _____ | \$ _____ | 95.3% | \$ _____ | \$ _____ |
| 2004 | _____ | _____ | 90.7% | _____ | _____ |
| 2003 | _____ | _____ | 86.0% | _____ | _____ |
| 2002 | _____ | _____ | 81.3% | _____ | _____ |
| 2001 | _____ | _____ | 76.7% | _____ | _____ |
| 2000 | _____ | _____ | 72.0% | _____ | _____ |
| 1999 | _____ | _____ | 67.3% | _____ | _____ |
| 1998 | _____ | _____ | 62.7% | _____ | _____ |
| 1997 | _____ | _____ | 58.0% | _____ | _____ |
| 1996 | _____ | _____ | 53.3% | _____ | _____ |
| 1995 | _____ | _____ | 48.7% | _____ | _____ |
| 1994 | _____ | _____ | 44.0% | _____ | _____ |
| 1993 | _____ | _____ | 39.3% | _____ | _____ |
| 1992 | _____ | _____ | 34.7% | _____ | _____ |
| Prior | _____ | _____ | 30.0% | _____ | _____ |
| TOTALS | _____ | \$ _____ | | \$ _____ | \$ _____ |

ALLOCATION

| | Tennessee | System | Weighted | Percent In Tennessee |
|----------------------------------|-----------|-----------------|----------|----------------------|
| 1. Scheduled Ground Hours | _____ | _____ | 45.0000% | _____ |
| 2. Revenue Ton Miles | _____ | _____ | 40.0000% | _____ |
| 3. Revenue Tons Handled | _____ | _____ | 15.0000% | _____ |
| | | Full Cash Value | X | Weighted Percent |
| TENNESSEE ALLOCATED VALUE | | | | \$ _____ |
| ASSESSMENT PERCENTAGE | | | X | 30.0000% |
| TENNESSEE ASSESSED VALUE | | | | \$ _____ |

APPORTIONMENT OF TAX VALUES WITHIN TENNESSEE

Type of Aircraft: _____

| Tax Entity | Arrivals/Departures Entity | Percent of Total | Scheduled Ground Hours | Percent of Total | For Office Use Only |
|---------------------------------|---------------------------------------|-----------------------------|---------------------------------------|-----------------------------|--------------------------------|
| Chattanooga (Hamilton Co.) | _____ | _____ | _____ | _____ | \$ _____ |
| Clarksville (Montgomery Co.) | _____ | _____ | _____ | _____ | _____ |
| Dyersburg (Dyer Co.) | _____ | _____ | _____ | _____ | _____ |
| Greeneville (Greene Co.) | _____ | _____ | _____ | _____ | _____ |
| Jackson (Madison Co.) | _____ | _____ | _____ | _____ | _____ |
| Knoxville (Blount Co.) | _____ | _____ | _____ | _____ | _____ |
| Memphis (Shelby Co.) | _____ | _____ | _____ | _____ | _____ |
| Nashville (Davidson Co.) | _____ | _____ | _____ | _____ | _____ |
| Shelbyville (Bedford Co.) | _____ | _____ | _____ | _____ | _____ |
| Smyrna (Rutherford Co.) | _____ | _____ | _____ | _____ | _____ |
| Tri-City (Sullivan Co.) | _____ | _____ | _____ | _____ | _____ |
| Other ** | _____ | _____ | _____ | _____ | _____ |
| TOTALS | _____ | _____ | _____ | _____ | _____ |

*

**TOTAL ASSESSED VALUE
ALLOCATED TO TENNESSEE**

\$ _____

*Total should be the same as #1 on AL – 5

**List other county

PERSONAL PROPERTY

List the total personal property owned, used, or leased that is located in the various cities and counties in Tennessee. One sheet should be completed for each airport and/or city location. Any construction work in progress (CWIP) may be reported separately. Any property which will be classified upon completion as personal may be reported at 15% of cost. Any property which will be classified upon completion as real is to be reported at 100% of cost.

AIRPORT and/or CITY LOCATION: _____

| Description of Property | *Cost | Company's Estimated Cash Value January 1, 2006 |
|---|-----------------|---|
| Food Service Equipment | \$ _____ | \$ _____ |
| Ramp Equipment | _____ | _____ |
| Maintenance & Engineering Equipment | _____ | _____ |
| Comm. & Meteorological Equipment | _____ | _____ |
| Surface Transportation – Vehicles & Equipment | _____ | _____ |
| Furniture, Fixtures & Office Equipment | _____ | _____ |
| Storage & Distribution Equipment | _____ | _____ |
| Miscellaneous Ground Equipment | _____ | _____ |
| Spare Parts | _____ | _____ |
| Computer Equipment | _____ | _____ |
| Other Equipment | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| <u>Construction Work in Progress</u> | | |
| Personal @ 15% | _____ | _____ |
| Real @ 100% | _____ | _____ |
| Leased Property: (From Others) | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| <u>TOTAL</u> | \$ _____ | \$ _____ |

*Gross Cost Before Depreciation

FOR OFFICE USE ONLY

PROVIDE A LIST OF ALL AIRCRAFT SOLD OR PURCHASED BY YOUR COMPANY DURING THE PAST YEAR. USE THE FOLLOWING TABLE TO PROVIDE THIS INFORMATION.

ATTACH ADDITIONAL SHEETS AS NEEDED

[illegible]

***Provide a copy of sales or purchase agreement.**

PROVIDE A LIST OF ALL ROTABLES, REPAIRABLES, AND/OR ENGINES SOLD BY YOUR COMPANY DURING THE PAST YEAR.

| Type of Property: Rotables, Repairable, Engines | Journal Entry Cost Plus Betterments | Type of Aircraft Used On | Percent Sale Price to Journal Entry Cost Plus Betterments | Sale Date | Comments |
|---|---|--------------------------------|---|--------------|----------|
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REAL PROPERTY UNDER CONSTRUCTION

Tennessee Code Annotated 67-5-503 provides that, "If after January 1 and before September 1 of any year, an improvement or new building is completed and ready for use or occupancy...the assessor of property shall make or correct the assessment of such property, on the basis of the value of the improvement at the time of its completion..."

List all real properties under construction or properties that **will be** completed by September 1, 2006.

[illegible]

DATE: _____

I, _____, being the OWNER, PRESIDENT, SECRETARY, AND /OR PARTNER OF _____, do hereby swear and affirm that the foregoing Ad Valorem Tax Report for the year two thousand six has been prepared from only the original books, papers, and records of said respondent under my direction in accordance with Tennessee Code Annotated, §67-5-1316, and is true and correct to the best of my knowledge and belief.

NAME

OFFICIAL CAPACITY